

Gentlemen (and Ladies):

As a past long term ratepayer to the old AT&T monopoly, I object to AT&T and Bell South's application for license and authorization transfer.

For seventy five years, these same organizations were blessed with a cost plus monopoly by the United States of America and by many smaller jurisdictions. As you certainly should know, prior to becoming a protected monopoly, they almost went broke around the turn of the previous century after their patent monopoly ran out. They were saved by the grant of the Federal government of protected monopoly status.

As a government protected cost plus monopoly, AT&T and its Bell System became the largest, most profitable company on earth. Its largest cost, year-in, year-out, was its payroll and fringe benefits. AT&T's employee benefit trusts became some of the largest trusts in the world, and easily the most over-funded employee benefit trusts in the world. We, as ratepayers, paid for the money that went into those trusts, cost plus. It does not require financial genius to discern why they were heavily over-funded.

When the Bell system lost its government sanctioned, cost plus monopoly status, the trust contained around fifty billion dollars, and many of those billions constituted assets far in excess of those required to fulfill the promises AT&T and the Bell System had made to its retirees. Since then, AT&T and Bell have methodically stripped those assets, reducing and eliminating benefits of its retirees, and trust assets assigned to those benefits. These actions have been the result of years of cunning benefit plan changes, reliance upon loopholes in the ERISA laws, creation of industry lobby and legal action groups designed specifically to strip retirees of their assets (ERISA Industry Committee, etc.), and various other subterfuges. The medical, dental, and death benefits stripped from retirees transferred to Lucent Technologies alone amounts to billions of dollars.

My point is simply this: Year after year, AT&T and the Bell system came to you with rate requests, based upon the "cost of doing business". A large part of that cost was the funding of employee benefits. They took the profits that you granted them, and have now taken back the cost from those that they represented to you that they were putting the money into trust for. Notwithstanding the tremendous hardship they have placed upon their now quite elderly retirees and the resultant cost to government, they have violated their rates and tariffs agreements of the past.

Your applicants have most probably done their homework quite well. The status of the plans and trust money was not changed until years after the

last rates and tariffs were granted. However, even if it is too late to recover the money for us hapless ratepayers, it is not too late for you to put your foot down and insist that these corporate sharks at least pay the retiree benefits that they promised you and their retirees that they would. The fact that they have swallowed the over-funding is reprehensible. The fact that they have reneged on important benefits to elderly retirees, swallowing those trust assets too, is simply unforgivable.

Admittedly, these assertions appear incredulous on their face. One only need review the various court records of past and pending litigation regarding the employee benefits of AT&T and the Bell system, and of the SEC reports of the stock and accounting fraud of AT&T's spin-off Lucent Technologies and related stock fraud litigation to begin getting the picture.

These companies deserve no more government licenses and authorizations until they can live up to their promises to you and to the private and government ratepayers of the past.

The application should be denied.

Yours Truly

David Personette